

**CITY COUNCIL OF THE CITY OF SAN DIEGO
SUPPLEMENTAL DOCKET NUMBER 2
FOR THE REGULAR MEETING OF
MONDAY, AUGUST 5, 2002**

SPECIAL ORDERS OF BUSINESS

ITEM-S400: San Diego Blood Bank and Las Patronas.

(Continued from the meeting of July 29, 2002, Item 30, at the City Manager's request, to allow Councilmember Peters to be present.)

COUNCILMEMBER PETERS' RECOMMENDATION:

Adopt the following resolution:

(R-2003-152)

Commending Las Patronas for its generous support of and service to the San Diego Blood Bank, its historic Disaster Readiness Fund, and the greater San Diego community.

ADOPTION AGENDA, CONSENT ITEMS

RESOLUTIONS:

- * ITEM-S401: Joint Community Facilities Agreement (CFD #6) with the Poway Unified School District.

(Black Mountain Community Area. District-1.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2003-220)

Authorizing the City Manager to execute a Joint Community Facilities Agreement with Poway Unified School District for the purpose of forming a community facilities district in the Black Mountain Ranch Community.

CITY MANAGER SUPPORTING INFORMATION:

The Poway Unified School District is in the process of forming a community facilities district in the County of San Diego which will provide public improvements in the Black Mountain Ranch community. The purpose of this district is to finance a number of required public facilities, including some that will be owned and maintained by the City of San Diego. The Black Mountain Ranch Facilities Benefit Assessment (FBA) will reimburse the cost of these facilities, consistent with Draft FY 2003 Black Mountain Ranch Public Facilities Financing Plan as approved. A separate agreement for FBA reimbursement of the cost of the City facilities will be forthcoming.

FISCAL IMPACT:

None. This measure will expedite the construction of public facilities needed for development of the community before FBA funds become available.

Ewell/Goldberg/GM

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-S402: Camden Redevelopment- Little Italy Participation Agreement.

(Centre City Community Area. District-2.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2003-110)

Authorizing the City Manager to execute a Participation Agreement with Camden Development Inc., for the design and construction of the 740 linear feet of sewer mains and sewer system improvements in Kettner Boulevard between Date Street and Beech Street;

Amending the Fiscal Year 2003 CIP Budget to include CIP-40-932.0, Camden Redevelopment;

Authorizing the City Auditor and Comptroller to transfer an amount not to exceed \$65,000 from Fund 41506, CIP-41-923.0, Sewer Pump Station 26 to Fund 41506, CIP-40-932.0, Camden Redevelopment;

Authorizing the expenditure of an amount not to exceed \$65,000 from Fund 41506, CIP-40-932.0, Camden Redevelopment.

CITY MANAGER SUPPORTING INFORMATION:

As a condition of Tentative Map TM-40-0518 for the development of The Park at Little Italy, the Developer is required to make improvements to the public wastewater system. The Developer, Camden Development Inc., a California corporation, whose mailing address is, 140 Newport Center Drive, Suite 210, Newport Beach, CA 92660, will perform the design, permitting, construction, supervision, and completion of the Project which shall consist of abandoning the existing 6-inch PVC and replacing and up-sizing with approximately 740 linear feet of 10-inch PVC sewer mains, sewer laterals and manholes along Kettner Boulevard, extending from Date Street to Beech Street, pursuant to City Drawing No. 30966-2-D, said drawing being on file in the Office of the City Engineer.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-S402: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

The Developer is responsible for constructing the public sewer main fronting their project site between Date and Cedar Street. The MWWD will reimburse the Developer the sum of \$58,050 for the offsite public sewer improvements that does not front their project site along Kettner Blvd. between Cedar and Beech Streets, downstream of their frontage.

FISCAL IMPACT:

The total estimated cost of this project is \$65,000 funding is available for this project in Sewer Fund 41506, CIP-40-932.0.

Ewell /Christiansen/HRB

Aud. Cert. 2201234.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-S403: Grant Application - TH!NK Neighbor Electric Vehicle Donation Program.

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2003-221)

Authorizing the City Manager, or designee, to apply to the National Park Foundation's TH!NK Neighbor Electric Vehicle Donation Program to received 15 electric vehicles for use by the Park and Recreation Department;

Authorizing the City Manager, or designee, to take all necessary actions to secure the donation of TH!NK Neighbor electric vehicles through the grant program;

Authorizing the City Manager, or designee, provided the grant is secured, to accept the donation of TH!NK Neighbor electric vehicles, including negotiating and entering into a grant agreement;

Authorizing the City Manager, or designee, provided the grant is secured, to use the donated vehicles for the Park and Recreation Department;

Authorizing the City Manager, or designee, to use the donated vehicles, if the grant is secured, in accordance with the terms and conditions set forth in the grant agreement.

CITY MANAGER SUPPORTING INFORMATION:

The National Park Foundation (NPF) in partnership with the Ford Motor Company has made available 500 TH!NK Neighbor electric vehicles for donation to United States Fish and Wildlife Preserves, State Parks, and Municipal Parks. Approximately 80 are available for City Municipal Park agencies throughout California.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-S403: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

On April 5, 2002, the Park and Recreation Department's Development Office staff became aware of this grant program. Working expeditiously with staff from General Services and Park and Recreation departments, Development Office staff requested 15 electric vehicles through the NPF grant program on April 12, 2002. If the grant is secured, the vehicles will be located at the following park sites, but can be rotated to other park sites, as deemed appropriate: Balboa Park - 9 vehicles; Inland Division - 2 vehicles; Mission Bay Park - 3 vehicles; and Mission Trails Regional Park - 1 vehicle. The average cost of electricity, as provided by a local Ford dealership, is 35 cents per charge.

The general vehicle specifications includes the following:

Zero Emissions electric vehicle
30-mile range on a single charge (4 to 8 hours per charge)
2-4 person capacity
Top speed of 25 mph
Rear storage area
Three (3) year warranty

This action authorizes the City Manager to apply and accept 15 electric vehicles, as well as enter into any grant agreement that is required to secure the vehicles.

FISCAL IMPACT:

None at this time. If the vehicles are secured, a nominal registration fee will be paid to the California Department of Motor Vehicles. Park and Recreation Department will use general operating funds for these fees.

Herring/Oppenheim/SLM

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

- * ITEM-S404: Easement Grant And Abandonment - San Diego Gas & Electric Company - Otay Water Treatment Plant.

(Otay Mesa Community Area. District-8.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2002-1713)

Authorizing the City Manager to execute an easement deed conveying to San Diego Gas and Electric Company, an easement for the purpose of constructing, repairing, modifying, maintaining and using overhead and underground facilities and appurtenance of the transmission and distribution of electricity, affecting a portion of Lots 1 and 2 in Fractional Section 13, Township 18 South, Range 1 West, San Bernardino Meridian and that portion of the Northeast Quarter of the Northeast Quarter of Section 13, and that portion of Section 18, Township 18 South, Range 1 East, and that portion of Otay Rancho according to Otay Ranch Map 862, filed 6/4/1915 in the Office of the San Diego County Recorder;

Authorizing the City Manager to accept a quitclaim deed conveying to the City of San Diego the existing electrical easement area which is being abandoned as part of this action. The total easement area requested to be abandoned is approximately 44,662 square feet.

CITY MANAGER SUPPORTING INFORMATION:

The Otay Water Treatment Plant Upgrade Project will require 400 feet of new overhead electrical facilities, necessitating a new easement in favor of SDG&E. The City has requested that the existing electrical easement in favor of SDG&E be abandoned. The requested new easement is irregular in shape, and includes two parcels, Parcel A containing approximately 43,690 square feet, and Parcel B containing approximately 6,984 square feet.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-404: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

The total easement area to be granted is approximately 50,674 square feet. The total easement area to be abandoned is approximately 44,662 square feet- SDG&E will quitclaim the easement to be abandoned.

The Water Department has reviewed and approved the location of the easement. Since the easements benefit a City Water Treatment Facility, there will be no compensation requested.

Note: A master plan to underground the electrical facilities at the Otay Water Treatment Plant will be developed and evaluated as part of the current Otay Water Treatment Plant Upgrades project. A future project will be needed to implement the master plan.

FISCAL IMPACT:

None.

Herring/Griffith/ACG

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

- * ITEM-S405: Approving the Plans and Specifications and Inviting Bids for the Construction of East Clairemont Athletic Field- Senior Field Renovation.

(Clairemont Mesa Community Area. District-6.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2003-177)

Approving the plans and specifications for the furnishing of all labor, material, tools, equipment, transportation and other expense necessary or incidental and inviting bids for the Construction of East Clairemont Athletic Field [Project], on Work Order No. 294670;

Authorizing the City Manager to execute a contract with the lowest responsible bidder;

Authorizing the City Auditor and Comptroller to transfer an amount not to exceed \$75,000 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Act of 2000 to CIP-29-467.0, Fund No. 38151;

Authorizing the expenditure of an amount not to exceed \$75,000 from East Clairemont Athletic Field - Senior Field Renovation, CIP-29-467.0, provided that the City Auditor and Comptroller first furnishes a certificate demonstrating that the funds necessary for the expenditure are, or will be, on deposit in the City Treasury;

Authorizing the City Auditor and Comptroller to amend the Fiscal Year 2002 Capital Improvement budget by increasing CIP-29-467.0 by \$75,000;

Authorizing the City Auditor and Comptroller, upon advice from the administering department, to transfer excess budgeted funds, if any, to the appropriate reserves. (BID-K03001C)

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

*ITEM-S405: (Continued)

CITY MANAGER SUPPORTING INFORMATION:

The proposed East Clairemont Athletic Field - Senior Field Renovation project is located at 3451 Mount Acadia Boulevard in the community of Clairemont Mesa. The scope of this project will provide for turfing, irrigation and security lights. This includes preparation of existing soil, installation of an irrigation system, and hydro-seeding to provide for a turfed playing area. The funding authorized by the City Council Action will supplement funding previously authorized to construct the project.

FISCAL IMPACT:

On August 15, 2000, City Council adopted Resolution R-293698 authorizing the City Manager or his representative to secure grant funding from the State of California under the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Projection Act of 2000 (Park Bond). The City Manager has secured the 2000 Park Bond grant funding and has entered into a subcontract with the State of California specifying the use of \$75,000 for the East Clairemont Athletic Field - Senior Field Renovation project. The estimated total project cost is \$386,250 of which \$311,250 has been previously authorized (Resolution No. R-292812). The additional funds requested in the amount of \$75,000 is available in Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Projection Act of 2000 (Park Bond). With this action the requested funding will be made available in CIP-29-467.0 for construction contract for this project.

Loveland/Belock/AO

Aud. Cert. 2201142.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-S406: Authorization to Transfer Funds and Enter Into or Amend Agreements.

COUNCILMEMBER WEAR'S RECOMMENDATION:

Adopt the following resolution:

(R-2003-227)

Directing the City Manager to execute agreements in accordance with Council Policy 100-03 with the following: KPBS for \$30,000; San Diego Lifesaving Association for \$30,000; Discover Pacific Beach Business Improvement Association for \$16,000; San Diego Foundation for \$10,000; Public Art Fund for \$10,000; and Pacific Beach Community Foundation for \$7,500;

Directing the City Manager to execute an agreement with SAY, San Diego, Inc. for \$30,000;

Directing the City Manager to incorporate into these agreements that there will be no on-going fiscal impact to the City for maintenance or improvements of the non-City facilities or programs;

Authorizing the City Auditor and Comptroller to reprogram an amount not to exceed \$133,500 in Council District 2 CDBG funds, Fund 18538, to CIP-29-685.0, Teralta Neighborhood Park Project;

Authorizing the City Auditor and Comptroller to transfer an amount not to exceed \$133,500 from CIP-29-685.0 - Teralta Neighborhood Park Project, Capital Outlay Sales Tax Fund 30245, to the General Fund to be used as follows: \$30,000 to be expended from Department 042 for the SAY, San Diego, Inc., project for underage drinking; \$10,000 to be transferred to the Arts & Culture Commission's Public Art Fund for the Grand Avenue Median Arts Project; and \$93,500 to be reallocated to the TOT Fund 10220 to be expended for agreements with the San Diego Lifesaving Association, KPBS, Discover Pacific Beach Business Improvement Association, San Diego Foundation, and Pacific Beach Community Foundation.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-S406: (Continued)

SUPPORTING INFORMATION:

\$133,500 of District 2 FY 2003 CDBG funds have been identified to be allocated to the Teralta Neighborhood Park Project, CIP-29-685.0. As a result of this action, \$133,500 is available for reallocation. This action would allocate funds in the following manner: \$30,000 to SAY, San Diego, Inc. for a media campaign to curb underage drinking on San Diego beaches, \$30,000 to KPBS to help fund a documentary on the Carrizo Gorge, \$30,000 to the San Diego Lifesaving Association for the 2002 USLA Nationals competition, \$16,000 to the Discover Pacific Beach Business Improvement Association for the 2002 BeachFest, \$10,000 to the San Diego Foundation for the "Here is New York" 9/11 Photographic Exhibit, \$10,000 to the Arts & Culture Commission's Public Art Fund for the Grand Avenue Median Arts Project and District 2 Public Art Maintenance, and \$7,500 to the Pacific Beach Community Foundation for the 2002 PB Christmas Parade.

FISCAL IMPACT:

\$133,500 will be reallocated from CDBG Fund 18538 to CIP-29-685.0, and \$133,500 will be transferred from CIP-29-685.0, Capital Outlay Fund 30245 to the General Fund.

Ewell/Van Deerlin

Aud. Cert. 2300132.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-S407: Additional Funding for the Sewer Pump Station No. 61 Improvements.

(See memorandum from Frank Belock, Jr. dated 6/13/2002. Kearny Mesa Community Area. District-6.)

TODAY'S ACTION IS:

Adopt the following resolution:

(R-2003-178 Cor. Copy)

Approving Change Order No. 6, with AES Construction amounting to a net increase in the contract price not to exceed \$162,997.11;

Authorizing the expenditure of an amount not to exceed \$263,865 from Sewer Fund 41506, CIP-46-106.0, Annual Allocation - Pump Station Restorations, for the purpose of providing funds for Contract Change Order No. 6, engineering and related costs, provided that the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds necessary are, or will be, on deposit with the City Treasurer.

NATURAL RESOURCES AND CULTURE COMMITTEE'S RECOMMENDATION:

On 6/26/2002, NR&C voted 4 to 0 to approve the project and direct staff to review bids starting from July 1, 1999, to the present and conduct an analysis/breakdown of all costs associated with CIP projects. (Councilmembers Wear, Frye, Madaffer, and Inzunza voted yea. Councilmember Peters not present.)

CITY MANAGER SUPPORTING INFORMATION:

Council authorized an agreement with EarthTech, Inc., formerly known as Barrett Consulting Group, Document No. R-281299, to provide engineering services for the upgrade and replacement of Sewer Pump Station No. 61. This facility, located at 5074 Mercury Street, was built in 1972 and needs to be upgraded with the current design and safety standards. Council authorized the award of this contract to AES Construction Group, Document No. R-292314.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-407: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

This project is currently in construction. The pumps originally chosen by the Contractor which met the City's requirements and standards became discontinued during construction. The pumps that were available and acceptable to the City had a larger motor which required a larger power generator. This created changes in the electrical layout of the pump station's control panels resulting in additional labor and materials costs, and also delays in construction due to the time required to manufacture and deliver the new pumps. The additional funds will be sufficient to cover the increased costs resulting from the change in the pumps and delays incurred.

FISCAL IMPACT:

The total estimated cost for this action is \$263,865. Funding for this request will come from Sewer Fund 41506, CIP-46-106.0, Annual Allocation - Sewer Pump Station Restoration. Total cost of the project, including construction, is estimated at \$ 2,721,525.

Loveland/Belock/HR

Aud. Cert. 2300086.

WWF-02-612.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-S408: Appointments to the Funds Commission.

(See memorandum from Mayor Murphy dated 7/25/2002 with resumes attached.)

MAYOR MURPHY'S RECOMMENDATION:

Adopt the following resolution:

(R-2003-210)

Council confirmation of the following appointments by the Mayor to serve as members of the Funds Commission for terms indicated:

<u>Name</u>	<u>Appointments</u>	<u>Term Expires</u>
Robert H. Gleason (replacing Susan Riegel Harding whose term has expired)		January 28, 2006
Sally Salazar Preston (replacing Conny Jamison who has resigned)		January 28, 2004

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-S409: Appointment to the San Diego Model School Development Agency.

(See Report from San Diego Housing Authority HCR-02-007/CMR-02-183,
RA-02-19. District-3.)

SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:

Adopt the following resolution:

(R-2003-217)

Council confirmation of the appointment by the Mayor of Mr. P. Lamont
Ewell, Assistant City Manager, to serve as a member of the Board of Directors
of the San Diego Model School Development Agency.

NOTE: See the Agendas of the Redevelopment Agency and the Housing Authority of
Monday, August 5, 2002, for a companion item.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

- * ITEM-S410: Excusing Councilmember Scott Peters from the Council Meeting of Monday, July 29, 2002.

COUNCILMEMBER PETERS' RECOMMENDATION:

Adopt the following resolution:

(R-2003-225)

Excusing Councilmember Scott Peters from attending the regularly scheduled Council Meeting of Monday, July 29, 2002.

- * ITEM-S411: Edward Spencer Wilson Day.

(District-1.)

COUNCILMEMBER PETERS' RECOMMENDATION:

Adopt the following resolution:

(R-2003-219)

Proclaiming August 22, 2002 to be "Edward Spencer Wilson Day" in the City of San Diego in recognition of his spirit of activism and engagement in contributing to the quality of life we all enjoy as San Diegans.

ADOPTION AGENDA, CONSENT ITEMS (Continued)

RESOLUTIONS (Continued):

* ITEM-S412: Rocky Horror at the Ken Cinema Day.

(District-3.)

COUNCILMEMBER ATKINS' RECOMMENDATION:

Adopt the following resolution:

(R-2003-218)

Proclaiming August 24, 2002 to be "Rocky Horror at the Ken Cinema Day" in the City of San Diego.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

**ORDINANCES INTRODUCED AT A PREVIOUS MEETING, READY FOR
DISPENSING WITH THE READING AND ADOPTION:**

ITEM-S413: Lease Amendment - Rio Vista Tower - Padres.

(Continued from the meeting of July 29, 2002, Item 50, at Councilmember Wear's request, to allow Mayor Murphy and Councilmember Peters to be present. Mission Valley Community Area. District-6.)

CITY COUNCIL'S RECOMMENDATION:

Adopt the following ordinance which was introduced on 7/15/2002. (Council voted 6-3. Councilmembers Atkins, Maienschein, and Frye voted nay):

(O-2003-29)

Authorizing the City Manager to execute the First Amendment to Lease Agreement with Hyundai Rio Vista, Inc., at an initial monthly rent of \$43,252.30;

Authorizing the City Auditor and Comptroller to expend an amount not to exceed \$84,549.79 from Fund No. 10330, Dept. 930 for FY2002.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

RESOLUTIONS:

ITEM-S414: North Metro Interceptor Diversion 3A - Additional Project Costs.

(Continued from the meeting of July 29, 2002, Item 105, at Councilmember Madaffer's request, to allow Mayor Murphy and Councilmember Peters to be present. See memorandum from Scott Tulloch dated 6/19/2002, and Equal Opportunity Contracting Program Evaluation. Linda Vista, Mission Valley Community Areas. District-6.)

TODAY'S ACTION IS:

Adopt the following resolution:

(R-2003-106)

Authorizing the City Manager to negotiate and execute with Mitchell Pacific Contractors, Inc., Construction Change Order No. 4 (for differing site conditions) to the North Metro Interceptor Diversion 3A Project, for an amount not to exceed \$278,000;

Authorizing the City Manager to negotiate and execute with Mitchell Pacific Contractors, Inc., Construction Change Order No. 6 (for dewatering fee) to the North Metro Interceptor Diversion 3A Project, for an amount not to exceed \$1,280,000;

Authorizing the City Auditor and Comptroller to transfer \$1,278,000 from Fund 41508, CIP-45-937.0, Point Loma - Site Improvements to Fund 41508, CIP-46-104.0, North Metro Interceptor Diversion 3A;

Authorizing the expenditure of an amount not to exceed \$1,278,000 from Fund 41508, CIP-46-104.0, North Metro Interceptor Diversion 3A, for additional project contingency provided that the City Auditor and Comptroller first furnishes one or more certificates demonstrating that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer;

Authorizing the City Auditor and Comptroller to transfer excess budgeted funds, if any, to the appropriate reserves on advice of the administering department.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS (Continued):

ITEM-S414: (Continued)

NATURAL RESOURCES AND CULTURE COMMITTEE'S RECOMMENDATION:

On 6/26/2002, NR&C voted 3 to 1 to approve. (Councilmembers Wear, Frye, and Inzunza voted yea. Councilmember Madaffer voted nay. Councilmember Peters not present.)

CITY MANAGER SUPPORTING INFORMATION:

The North Metro Interceptor Diversion 3A project is currently under construction. This project is the final phase of a series of projects designed to divert significant flows away from the old North Metro Interceptor, a 96-inch diameter unlined reinforced concrete pipe built in the 1960s. When the flows are diverted, the original pipeline interior will be inspected, and repairs will be completed under a separate contract. As authorized by the City Council on November 27, 2000, Resolution R-294298, the City Manager executed a contract with Mitchell Pacific Contractors, Inc. in the amount of \$2,927,470 for construction of this project.

Additional funds are required to compensate the contractor for additional differing site conditions encountered in Friars Road. While drilling to set 23 shoring beams in a 64-foot section between station 0+25 and 0+89, buried rip-rap, rubble, steel debris and cement slurry was encountered in 17 of the borings. The same was encountered in 6 of 11 dewatering wells installed in the same vicinity. An extra level of effort was required to drill through this material, and in some instances, the borings had to be abandoned and relocated. As the excavation proceeded, this assorted material and debris had to be removed and disposed of as well. The existence of this material was not known during the design nor located during geotechnical explorations. Change Order #4 in an amount not to exceed \$278,000 is required to compensate the contractor for this work.

The project is required to have an Industrial Waste Discharge Permit from the City for the disposal of water, extracted during construction dewatering, to the sewer system. Existing funds in the contract for this item are insufficient due to the volume of water encountered. Due to the site proximity to the river and water migrating in existing pipe trenches, an exceptionally large volume of ground water has been encountered and extracted.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS (Continued):

ITEM-S414: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

Dewatering is expected to continue through the end of the project in August 2002 and total volume is estimated to reach 180,000,000 gallons. Dewatering discharge fees are due and payable to the Metropolitan Wastewater Department's Industrial Waste Program. The fees are based on volume and vary based on total suspended solids the discharge fee is a reimbursable contract item and additional funds are required to compensate the contractor. Change Order #6 in an amount not to exceed \$1,280,000 is required to compensate the contractor for these fees.

FISCAL IMPACT:

The total cost of Change Orders #4 and #6 is \$1,558,000. Additional project funds of \$1,278,000 are needed to fund this action. Funding is available from Fund 41508 CIP-46-104.0, North Metro Interceptor Diversion 3A.

Mendes/Tulloch/CAW

Aud. Cert. 2201246.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS (Continued):

ITEM-S415: Two actions related to Authorizing Additional Expenditure for Alvarado Water Treatment Plant - Earl Thomas Reservoir Replacement.

(Continued from the meeting of July 29, 2002, Item 110, at Councilmember Inzunza's request, to allow Mayor Murphy and Councilmember Peters to be present. See memorandum from Mark Stone dated 5/9/2002. Navajo Community Area. District-7.)

TODAY'S ACTIONS ARE:

Adoption of the following resolutions:

Subitem-A: (R-2002-1526)

Authorizing the City Manager to accept the second lowest bid and award a phase funded construction contract to C.E. Wylie Construction Company for the Earl Thomas Reservoir Replacement Project in the amount of \$25,511,000, provided that the City Auditor and Comptroller first furnishes one or more certificates demonstrating that funds necessary for expenditure under established contract funding phases are, or will be, on deposit with the City Treasurer;

Authorizing the City Manager to execute Contract Change Order No. 1, in the amount of \$811,912, which transfers most of the cost of insuring the project from the City's Owner Controlled Insurance Program to C.E. Wylie Construction Company;

Authorizing the additional expenditure of an amount not to exceed \$2,950,895 from Water Fund No. 41500, CIP-73-261.4, Alvarado Water Treatment Plant - Earl Thomas Reservoir, and \$637,762 from Water Fund No. 41500, CIP-73-331.0, Water Pooled Contingency, provided that the City Auditor and Comptroller first furnishes one or more certificates demonstrating that the funds necessary for expenditure under established contract funding phases are, or will be, on deposit with the City Treasurer;

Authorizing the City Manager to execute Phase 2 of the agreement with Malcolm Pirnie, Inc. to provide engineering services for the Earl Thomas Reservoir Replacement in the amount of \$215,500;

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS (Continued):

ITEM-S415: (Continued)

Subitem-A: (Continued)

Authorizing Funding Phase 1 (FY03) in the amount of \$2,916,971 from Water Fund No. 41500, CIP-73-261.4, Alvarado Water Treatment Plant - Earl Thomas Reservoir; and \$1,131,912 from Water Fund No. 41500, CIP-73-331.0, Water Pooled Contingency;

Authorizing the City Auditor and Comptroller to transfer excess budgeted funds, if any, to the appropriate reserves on advice of the administering department.

Subitem-B: (R-2002-1786 Cor. Copy)

Declaring that the information contained in the EIR and Addendum to LDR-40-0259 (certified by Resolution R-295593, adopted on October 10, 2001), have been reviewed and considered by Council in connection with the Alvarado Water Treatment Plant - Earl Thomas Reservoir Replacement;

Directing the City Clerk to file a Notice of Determination (NOD) with the Clerk of the Board of Supervisors.

NATURAL RESOURCES AND CULTURE COMMITTEE'S RECOMMENDATION:

On 5/15/2002, NR&C voted 4-0 to approve. (Councilmembers Peters, Wear, Frye and Madaffer voted yea. Councilmember Inzunza not present.)

CITY MANAGER SUPPORTING INFORMATION:

The Earl Thomas Reservoir Replacement Project is integral to the Alvarado Water Treatment Plant Expansion and Improvement Project as defined in the Water Department's Capital Improvements Program and approved by City Council in August 1997.

The Reservoir Replacement Project consists of demolishing the existing 35 million gallon reservoir and replacing it with a 35 million gallon pre-stressed concrete clearwell. The new clearwell will meet all current structural and seismic criteria, improve the quality of the water produced, and provide the additional long term reliable storage required at Alvarado Water Treatment Plant.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS (Continued):

ITEM-S415: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

Construction is expected to begin in late 2002 and finish in late 2004. \$27,291,405 is the construction component of the total project cost which, including Contract Change Order No. 1, is now estimated at \$34,356,431.

The City's application for \$21,525,249 from the California Safe Drinking Water State Revolving Fund Loan Program has been approved by the California Department of Health Services (DHS) for this Project. Once authorized by Council and secured by contract with DHS, this money will be available to partially fund the Earl Thomas Reservoir Replacement Project.

This request for Council Action is required to augment the authorized budget to account for increased costs resulting from the verified low bid coming in 13.28% higher than the engineer's estimate, and the restructuring of the City's Owner Controlled Insurance Program (OCIP) which resulted in the need to process Contract Change Order No. 1 for \$811,912.

The first apparent low bidder (Nielsen Dillingham Builders Inc. at \$25,358,732) was rejected by the City, on the recommendation of EOC, because they did not meet the bidding specifications. The next lowest bidder (C.W. Wylie Construction Co. at \$25,511,000) has been verified by the City as acceptable for the award.

FISCAL IMPACT:

The total cost of this project is \$34,354,488 of which \$30,765,831 was previously authorized. Funding for Phase I is available in FY2003, from Water Fund 41500, CIP-73- 261.4, Alvarado Water Treatment Plant - Earl Thomas Reservoir.

Mendes/Gardner/JOP

Aud. Certs. 2300004, 2300006, 2300007.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS (Continued):

ITEM-S416: Reinvestment Task Force Annual Report on Lender Performance.

(Continued from the meeting of July 29, 2002, Item 113, at Deputy Mayor Stevens' request, to allow Mayor Murphy and Councilmember Peters to be present. See Housing Commission Report HCR-02-064.)

SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:

Adopt the following resolution:

(R-2003-128)

Accepting the City-County Reinvestment Task Force's Lender Performance Report pursuant to the City's Community Reinvestment Master Plan (Council Policy 900-9).

ADOPTION AGENDA, DISCUSSION, HEARINGS

SPECIAL HEARINGS:

ITEM-S417: Conference with Real Property Negotiator, pursuant to California Government Code Section 54956.8:

Property: Franchise to Serve Water to South San Diego Residents.

Agency Negotiator: Richard Mendes, Utilities General Manager; Deborah Berger, Deputy City Attorney.

Negotiating Parties: California American Water Company.

Under Negotiation: Price and Terms.

Prior to Council discussion in Closed Session and in compliance with the Brown Act, (California Government Code Section 54956.8) this issue is listed on the docket **only** for public testimony.

There is no Council discussion of this item. The City Council's actions are:

1) Open the Public Hearing and accept testimony from any members of the public wishing to address the Council on this subject; 2) Conclude and close the public hearing; and 3) Refer the matter to Closed Session on Tuesday, August 6, 2002.

NOTE: Members of the public wishing to address the Council on this item should speak "in favor" or "in opposition" to the subject.

ADOPTION AGENDA, DISCUSSION, HEARINGS

NOTICED HEARINGS:

ITEM-S418: Two actions related to First San Diego River Improvement Project Maintenance Assessment District.

(Continued from the meetings of July 23, 2002, Item 330 and July 29, 2002, Item S401; last continued at the City Manager's request, to allow staff to tabulate the ballots.)

NOTE: Hearing opened and closed on 7/29/02.

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2002-1575)

Considering the protests, approving modified map, confirming the assessments, ordering the proposed maintenance, and approving the Assessment Engineer's Report in the matter of the First San Diego River Improvement Project Maintenance Assessment District.

Subitem-B: (R-2002-1622)

Approving Fiscal Year 2003 Budget for the First San Diego River Improvement Project Maintenance Assessment District.

CITY MANAGER SUPPORTING INFORMATION:

This action will increase the Fiscal Year 2003 assessments for First San Diego River Improvement Project Maintenance Assessment District (District). The District was established in 1987 to provide maintenance for the San Diego River earthen flood control channel, eight river islands inside the channel zone, and an approximately 20 foot wide buffer zone running along and adjacent to the channel embankments. District maintenance includes dredging to maintain the flow capacity of the river, revegetation, wildlife monitoring and reporting, landscaping, restoration of embankment erosion and trash removal.

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS (Continued):

ITEM-S418: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

By ballot in 1998 the property owners capped their savings for a dredging reserve at \$440,000. Last year the City's Engineering department reported the flood control channel will require dredging in certain areas of the channel where sedimentation has built up beyond acceptable limits. The City staff has met throughout the year with the First San Diego River Improvement Project Maintenance Assessment District Committee (Committee) discussing the dredging requirements and the need to increase the funding through an assessment increase.

The Committee approved processing a ballot protest proceeding to request the District property owners approving the increase and the proposed budget for FY 2003 on April 24, 2002.

	Est. Year End	
<u>DESCRIPTION</u>	<u>FY 2002</u>	<u>FY 2003</u>
BEGINNING BALANCE	\$ 590,328.00	\$ 552,972.00
OPERATING REVENUE:		
Assessments	\$ 162,518.00	\$1,536,752.00
Interest	<u>27,102.00</u>	<u>27,000.00</u>
TOTAL REVENUE	\$ 189,620.00	\$1,563,752.00
OPERATING EXPENSE:		
Personnel	\$ 42,966.00	\$ 45,418.00
Contractual	100,000.00	1,825,750.00
Incidental	39,933.00	60,393.00
Utilities	<u>44,850.00</u>	<u>45,184.00</u>
TOTAL EXPENSE	\$ 227,749.00	\$1,976,745.00
Ending Balance		
(Operating Reserve):	\$ 112,199.00	\$ 139,979.00
Continuing Appropriation		
(Dredging Reserve):	\$ 425,000.00	\$ 0.00

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS (Continued):

ITEM-S418: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

<u>Zone</u>	<u>FY 02 Assessment Per Benefit Area</u>	<u>FY 03 Assessment Per Benefit Area</u>	<u>Increase in Assessment from Fiscal Year 2001</u>	<u>Equivalent Benefit Area</u>
Aesthetics				
Zone 1	\$441.36	\$827.36	\$386.00 (87.5%)	113.01
Aesthetics				
Zone 2	\$220.68	\$413.68	\$193.00 (87.5%)	72.20
Flood Control	\$4,275.34	\$72,353.88	\$68,078.54 (1,592%)	19.12

The maximum authorized Aesthetics assessment is \$830.80/EBA in Zone 1, \$415.40/EBA in Zone 2 and Flood Control assessment is \$15,923.15/EBA indexed annually by the San Diego CPI-U.

FISCAL IMPACT:

All costs are assessed to the District.

Herring/Medina/SY